

Paper Handlers' and Sheet Straighteners' Union Local No. 1, International Pressmen and Graphic Communications Union, AFL-CIO and American Bank Note Company and Graphic Arts International Union, Local 119B-43B, New York, AFL-CIO.¹ Case 2-CD-673

26 May 1983

DECISION AND DETERMINATION OF DISPUTE

BY CHAIRMAN DOTSON AND MEMBERS
JENKINS AND HUNTER

This is a proceeding under Section 10(k) of the National Labor Relations Act, as amended, following a charge filed on 12 November 1982 by American Bank Note Company, herein called the Employer, alleging that Paper Handlers' and Sheet Straighteners' Union Local No. 1, International Pressmen and Graphic Communications Union, AFL-CIO, herein called Local 1, violated Section 8(b)(4)(D) of the Act by engaging in certain proscribed activity with an object of forcing or requiring the Employer to assign certain work to employees represented by Local 1, rather than to employees represented by Graphic Arts International Union, Local 119B-43B, New York, AFL-CIO, herein called Local 119.

Pursuant to notice, a hearing was held before Hearing Officer Pamela Reinertsen on 6 January 1983. All parties, including the Employer, Local 1, and Local 119, appeared at the hearing and were afforded full opportunity to be heard, to examine and cross-examine witnesses, and to adduce evidence bearing on the issues. Thereafter, the Employer and Local 119 filed briefs.

Pursuant to the provisions of Section 3(b) of the National Labor Relations Act, as amended, the National Labor Relations Board has delegated its authority in this proceeding to a three-member panel.

The Board has reviewed the rulings made by the Hearing Officer at the hearing and finds they are free from prejudicial error. The rulings are hereby affirmed. Upon the entire record in this case, including the aforementioned briefs, the Board makes the following findings:

I. THE BUSINESS OF THE EMPLOYER

The parties stipulated, and we find, that the Employer, a New York corporation with its principal place of business in Bronx, New York, is engaged in the printing of security documents. During the past year, the Employer purchased goods directly from outside the State of New York valued in excess of \$50,000. The parties stipulated, and we

find, that the Employer is engaged in commerce within the meaning of Section 2(6) and (7) of the Act and it will effectuate the purposes of the Act to assert jurisdiction herein.

II. THE LABOR ORGANIZATIONS INVOLVED

The parties stipulated, and we find, that Local 1 and Local 119 are labor organizations within the meaning of Section 2(5) of the Act.

III. THE DISPUTE

A. Background and Facts of the Dispute

The Employer recently purchased a Giori printing press for use in printing multicolored foreign currency by means of the intaglio method of printing. It is the only such press in the New York area. The press operates in two modes: interleaving and noninterleaving. When operating in the interleaving mode, other paper material is inserted between the sheets of printed matter to allow the ink to dry without the possibility of transferring ink from one printed sheet to another. When the press is operating in the noninterleaving mode, material is not inserted between the sheets of printed matter.

When the Giori press is operating in the interleaving mode, it is necessary that the sheets of interleaving paper be notched. Notching involves the use of a special notching machine to cut two half-moon shaped notches into the edge of the interleaving paper in order to facilitate its eventual removal from between the sheets of printed material. Once the interleaving paper is notched, it is reusable. After the paper is notched, the sheets are placed on a skid and delivered to the Giori press area which is approximately 30 feet from the notching machine.

Since the press was acquired by the Employer in the fall of 1979, it has been used only three times. The Employer assigned the task of notching interleaving paper to employees represented by Local 1. In the spring of 1981, Louis Randazzo, president of Local 119, was given permission to observe the Giori press to determine whether there was any work involved with it that should be performed by employees represented by Local 119.

In August 1982, Randazzo contacted George McConnin, the Employer's director of industrial relations, and claimed that the notching and deleaving work associated with the Giori press should be performed by "binder finisher II" employees who are represented by Local 119.²

² During the hearing, Local 119 disclaimed interest in operating the deleaving machine. Based on this disclaimer, the parties stipulated that the work in dispute is limited to the notching machine.

¹ The Intervenor's name appears as amended at the hearing.

McConnin later told Randazzo that his claim was not valid and would not be honored by the Employer. Shortly thereafter, the Employer received a letter from Local 119's counsel demanding that the issue of Local 119's jurisdictional claim to the work in dispute be submitted to arbitration. The Employer responded by a letter in which it stated that arbitration would be premature and requested a meeting with Randazzo to try to resolve the matter.

While the Employer and Local 119 were in the process of trying to resolve this dispute, Patrick Flannery, the president of Local 1, contacted the Employer to advise that if it went to arbitration with Local 119 or assigned the notching work to employees represented by Local 119, Local 1 members would engage in a work stoppage to prevent the reassignment. This threat was confirmed in a letter dated 9 September 1982.

On 28 October 1982 Local 119's counsel sent a letter to the Employer advising that a contract violation had been committed when the Employer failed to assign the notching work to employees represented by Local 119 and that it intended to pursue the matter to arbitration. On 8 November 1982, Flannery reiterated Local 1's threat to engage its members in a work stoppage if the Employer reassigned the work.

B. The Work in Dispute

The dispute in the instant case involves the operation of the notching machine utilized in connection with the Giori press located in the printing department of the Employer's facility.

C. Contentions of the Parties

The Employer and Local 1 contend that the disputed work should be assigned to employees represented by Local 1 based on considerations of economy and efficiency and the Employer's security requirements. The Employer also contends that assignment to the employees represented by Local 1 is consistent with its past practice and its relevant contractual obligations.

Local 119 contends that the disputed work should be assigned to employees it represents because it is the functional equivalent of work that is required by the terms of its collective-bargaining agreement with the Employer to be assigned to employees it represents.

D. Applicability of the Statute

Section 10(k) of the Act empowers the Board to determine a dispute out of which an 8(b)(4)(D) charge has arisen. However, before the Board proceeds with a determination of dispute, it must be

satisfied that there is reasonable cause to believe that Section 8(b)(4)(D) has been violated, and that there is no agreed-upon method for voluntary settlement of the dispute.

After becoming aware that Local 119 was claiming the work in dispute for employees it represents, Local 1 informed the Employer that, if the disputed work were not assigned to members of its unit, it would call a strike to insure compliance with its view of its contract with the Employer.

The parties stipulated that there exists no agreed-upon method for the voluntary adjustment of the instant dispute.

On the basis of the above-described threat and the record as a whole, we conclude that there is reasonable cause to believe that a violation of Section 8(b)(4)(D) has occurred and that there exists no agreed-upon method for the voluntary adjustment of the dispute within the meaning of Section 10(k) of the Act. Accordingly, we find that this dispute is properly before the Board for determination.

E. Merits of the Dispute

Section 10(k) of the Act requires that the Board make an affirmative award of the disputed work after giving due consideration to various relevant factors.³ The Board has held that its determination in a jurisdictional dispute is an act of judgment based on commonsense and experience reached by balancing those factors involved in a particular case.⁴

The following factors are relevant in making the determination of the dispute before us:

1. The collective-bargaining agreements

The Employer has current collective-bargaining agreements with both Local 1 and Local 119. Local 1's collective-bargaining agreement provides in relevant part:

1. Paper Handler

d. Prepares paper by winding, breaking, jogging, rolling, stacking and *notching* sheets and tissues prior to issuance [emphasis supplied].

Thus, it is clear that Local 1's agreement expressly covers the disputed work. Local 119's collective-bargaining agreement provides that Binder/-Finisher II employees "perform the following operations: hand feeding of perforating machines, punching machines, drilling machines"

³ *NLRB v. Electrical Workers, Local 1212, IBEW* [Columbia Broadcasting], 364 U.S. 573 (1961).

⁴ *Machinists Lodge 1743 (J. A. Jones Construction)*, 135 NLRB 1402 (1962).

Thus, while it appears that the disputed notching work is similar to work performed by employees represented by Local 119, the Local 1 contract expressly covers the disputed work. Accordingly, we find that this factor favors assignment of the disputed work to employees represented by Local 1.

2. Area practice

Because the Employer has the only Giori press and notching machine in the New York area, this factor is not helpful in resolving the instant dispute.

3. Skills

No special skills and minimal training are required for operation of the notching machine. Both groups of employees already perform similar tasks. Thus, we find that the skill factor does not favor assignment to either of the competing groups of employees.

4. Economy and efficiency of operations

The Employer contends that it is both more economical and efficient for the disputed work to be performed by the employees represented by Local 1. Local 1 employees are stationed in the printing area where the Giori press and the notching machine are located. There presently exists a stock of approximately 300,000 sheets of notched interleaving paper. Because of the low rate of damage to these sheets (1-percent wastage per week), the only notching currently required is to maintain that inventory at an acceptable level. This inventory is stored near the Giori press and employees represented by Local 1 are among those responsible to see that an adequate supply of notched paper is available as needed. Employees represented by Local 119 work in the finishing department which is located some 40 yards away from the Giori press. Thus, in order for employees represented by Local 119 to perform the disputed work, it would be necessary for someone in the printing department to summon them from the finishing department and have them travel back to the printing department. The Employer also cites security considerations as a reason for assigning the disputed work to employees represented by Local 1. The Employer presented testimony that since it prints security documents such as currency, travelers checks, and food coupons, it attempts to maintain rigorous sep-

aration between departments for security purposes. On the basis of the evidence presented, we find that the factor of economy and efficiency of operations strongly favors assignment of the disputed work to the employees represented by Local 1.

5. Employer assignment and preference

In the spring of 1980, the Employer assigned the task of notching interleaving paper to employees represented by Local 1. The record indicates that the Employer maintains a preference for this assignment. We find that this factor supports an award of the work to the employees represented by Local 1.

Conclusion

Upon the record as a whole, and after full consideration of all relevant factors involved, we conclude that employees who are represented by Paper Handlers' and Sheet Straighteners' Union Local No. 1, International Pressmen and Graphic Communications Union, AFL-CIO, are entitled to perform the work in dispute. In reaching this conclusion, we have relied on the respective collective-bargaining agreements, considerations of economy and efficiency, and the Employer's assignment and preference.

In making this determination, we are awarding the work in question to employees who are represented by Local 1, but not to that Union or its members. The present determination is limited to the particular controversy which gave rise to this proceeding.

DETERMINATION OF DISPUTE

Pursuant to Section 10(k) of the National Labor Relations Act, as amended, and upon the basis of the foregoing findings and the entire record in this proceeding, the National Labor Relations Board makes the following Determination of Dispute:

Employees of American Bank Note Company who are represented by Paper Handlers' and Sheet Straighteners' Union Local No. 1, International Pressmen and Graphic Communications Union, AFL-CIO, are entitled to perform the work of operating the notching machine used in connection with the Giori press located in the printing department at the Employer's Bronx, New York, facility.